



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION

December 1997

GEN-97-14  
97-L-199  
97-G-305

**Summary:** Increasing aggregate loan limits for certain health professions students affected by the phaseout of the Health Education Assistance Loan (HEAL) Program to \$189,125.

Dear Colleague:

Effective July 1, 1996, the Department increased the annual loan limits on unsubsidized student loans in the Federal Family Education Loan (FFEL) Program and the William D. Ford Federal Direct Loan (Direct Loan) Program for certain health professions students who are unable to borrow HEAL Program loans because of the phaseout of that program. However, the Department did not, at that time, increase the aggregate loan limits in the FFEL and Direct Loan programs for those borrowers.

It has been brought to our attention that some eligible health professions students may be unable to borrow the increased annual loan amounts during the 1997-98 academic year unless the aggregate loan limits in the FFEL and Direct Loan programs are increased for those borrowers. To ensure that these students may continue to borrow the increased annual unsubsidized amounts during the 1997-98 academic year and beyond, the Department is increasing the aggregate loan limits in the FFEL and Direct Loan programs for eligible health professions students.

For those health professions students who are eligible to receive the increased annual unsubsidized amounts based on the criteria described in previous "Dear Colleague" letters GEN-96-14 and GEN-97-4, the new aggregate loan limit for unsubsidized loans will be \$189,125 less the aggregate amount of any subsidized loans made to the student.

In order to provide a reasonable aggregate loan limit for those health professions students who qualify for the increased annual unsubsidized amounts, the Department chose an amount that would permit a student to receive the current maximum FFEL Program and Direct Loan Program annual loan limits for four years of undergraduate study and four years of graduate or professional study, plus the increased unsubsidized annual loan limit for the four years of graduate or professional study. The Department believes that the increased aggregate limit of \$189,125 will permit eligible health professions students to borrow sufficient amounts under the FFEL and Direct Loan programs to finance their educations.

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*Our mission is to ensure equal access to education and to promote educational excellence throughout the Nation.*

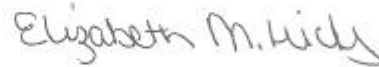
*Page 2—Increased Aggregate Loan Limits*

If you have questions about this letter, please contact the Customer Support Branch for Student Financial Assistance Programs. You may phone the Customer Support Branch at **1-800-4ED-SFAP (1-800-433-7327)** from 9 am to 5 pm, Eastern Time, Monday through Friday. After hours, you may leave a message and we will return your call the next day.

You may also fax your questions to **202-260-4199**, or send them via electronic mail to: **csb@sfa.ed.gov**. If you send your questions by fax or electronic mail, please be sure to include your name, the name of your institution, and your phone number.

The Department appreciates your cooperation as we implement policies to assist health professions students who are affected by the phaseout of the HEAL Program.

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth M. Hicks".

Elizabeth M. Hicks  
Deputy Assistant Secretary  
Student Financial Assistance Programs